

Central Intelligence Agency



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## DIRECTORATE OF INTELLIGENCE

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Japanese-Soviet Relations: What Could Moscow  
Do To Make Them Better? [redacted]

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Summary

Mikhail Gorbachev's consolidation of power-- particularly his replacement of Foreign Minister Gromyko--and his reputation for innovative leadership suggest that the USSR may adopt a more vigorous foreign policy and look for new opportunities to increase and exercise its influence on the world stage. Japan may offer such opportunities. Since the 1950s Moscow has given Tokyo a low policy priority, both because it views Japan as a relatively unimportant player in world power politics and because it judges Japan firmly in the US camp. In pursuing a policy toward Japan based on those perceptions, the Soviets have ignored Japanese vulnerabilities they could have easily exploited. [redacted]

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[redacted] Moscow's insensitive approach to Japan has made their life easier by generally antagonizing those Japanese who might otherwise be influenced by Soviet initiatives to press for new policies from Tokyo. [redacted]

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This memorandum was prepared by Northeast Asia Division, Office of East Asian Analysis, and Third World Activities Division, Office of Soviet Analysis. Comments and questions are welcome and may be directed to the Chief, Japan Branch, Northeast Asia Division, OEA, [redacted]

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The very rigidity of the Soviets' approach to the Japanese over the past 30 years suggests to us that even small steps now could command attention in Japan, albeit without basically changing Tokyo's willingness to cooperate with the United States on policy toward the Soviet Union. Gorbachev has already suggested he will take greater interest in issues outside the US-Soviet relationship, mentioning Asia as a possible area of increased attention. The meeting between Prime Minister Nakasone and Gorbachev at the Chernenko funeral and hints over the past several months of a visit by the Soviet Foreign Minister have already captured Japanese attention. This paper depicts a range of options available to the Soviet Union and identifies those that would be hardest for Tokyo to handle if Moscow took a new tack. [REDACTED]

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### Soviet Intransigence

The Soviet Union's postwar policy has gained it little ground in Japan. Since then Prime Minister Tanaka's visit to Moscow in 1973, the Soviets have thumbed their noses at official and popular Japanese sensibilities by refusing to discuss the Northern Territories--the disputed Kurile Island group under Soviet control that remains the obstacle to a bilateral peace treaty. The Japanese have consistently said the unyielding Soviet position impedes progress in relations. [REDACTED]

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The Soviets, moreover, have attacked Japan vigorously on other fronts. They have used threats and intimidation to try to slow Japan's gradual military buildup and to caution the Japanese about closer security relations with the United States. The substance and tone of Soviet economic overtures have also been wanting from the Japanese perspective. Moscow's calls for expanded economic ties characteristically have been accompanied by tough negotiations and, as in other areas, by a clear Soviet condescension toward Japan and its leaders. [REDACTED]

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The rigid Soviet approach to relations with Japan has been consistent enough to suggest Moscow has basically assigned Tokyo a low policy priority. We believe this decision is due in part to the Soviets' view of Japan as a militarily weak nation dependent on the US strategic umbrella, and thus not a significant actor on the international scene. Furthermore, the Soviets have traditionally focused on Europe, where they have had some success in influencing developments. The Soviets may well calculate that the close political, economic and military ties between Tokyo and Washington give them less room to maneuver and make driving a wedge between the two more difficult. Both perceptions appear to have led Moscow to conclude that real improvement in relations with Tokyo is either unlikely or not worth the investment needed. [REDACTED]

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We believe the Soviets have at times even passed up seeming opportunities for closer ties because in many areas they judge that an effort to improve relations would cost them too much. Expanded economic dealings with Japan, for example, could bring diminished trade with the Soviets' politically more important partners in Western Europe. In such circumstances, the consequences for Moscow could outweigh the value of any anticipated improvement in Soviet-Japanese ties. We believe this kind of "trade-off" has been at the heart of Soviet policy on the territorial issue. In Moscow's view, Soviet flexibility on the Northern Territories could complicate similar claims, based on the post-World War II status quo, at issue with China and in Europe. Moreover, the Soviets have made major capital investments in the Northern Territories to improve their military capabilities, suggesting that Moscow sees them as an important strategic asset. We doubt the four northern islands are even on the table as a hypothetical issue when Soviet policy planners discuss possible steps to improve Japanese relations. [redacted]

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#### Possibility of Change?

The fact that the Soviets believe the price for any far-reaching gains in Japan to be too high does not rule out the possibility of moves calculated to improve the atmospherics. Furthermore, changes in the Soviet leadership, including Gromyko's replacement and the resulting possibility of widespread changes in the Soviet Foreign Ministry, raise intriguing questions about future Soviet policy toward Japan. Indeed, Gorbachev has already hinted that Asia--at least as far as China is concerned--will receive greater attention. Moreover, his resurfacing of the Asian collective security scheme suggests the Soviets are at least looking for new points of contact and areas of discussion. [redacted]

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The Soviets may not see specific benefits to improving ties to Japan now, but may want to position themselves to take advantage of possibilities down the road. A revitalized Soviet leadership more willing to pay attention to Asia, for example, could view increased US pressure on Japan on trade and defense issues as an opening for sowing discord in the US-Japanese relationship. We believe the Soviets could identify a number of low-cost approaches that would improve their public image in Japan and appeal to politicians in Tokyo. The thinly veiled competition between Nakasone and Foreign Minister Abe, one of the Prime Minister's aspiring successors, over who should take credit for the recent signs of a somewhat warmer tone in Japanese-Soviet relations is the latest example of how the political ambitions of Japanese politicians can create opportunities for the Soviets. [redacted]

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#### The Northern Territories: A Little Movement Could Go a Long Way

Almost all Japanese politicians would find a Soviet offer to talk about the Northern Territories irresistible, no matter what the context. A Japanese politician who could make even limited

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progress on the problem would put an historic feather in his cap, and in the past political rivals have used the issue to jockey for the spotlight in Tokyo. The lack of a treaty concluding World War II remains significant, unfinished business for Japan--as witnessed by the fanfare given the conclusion of the Sino-Japanese Peace and Friendship Treaty in 1978. The vast majority of Japanese dislike the Soviets, which contrasts with deep-rooted popular affection for China and the United States. If Moscow agreed to talk about the islands--or, though unlikely, revived the offer it made three decades ago to return the two smallest islands as part of a comprehensive peace settlement--political leaders, the Foreign Ministry, and some in the press would be wary of the Soviet price. Nonetheless, if the Northern Territories were on the agenda, no Japanese prime minister could ignore a Soviet offer to discuss a peace treaty, and even hints in that direction would be front page news. [REDACTED]

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Even if--as is almost certain--the Soviets refused to make substantive concessions, Moscow could still be flexible enough on minor or procedural aspects of the question to cause problems for Japanese managers of the bilateral relationship. A Soviet offer of expanded access for Japanese fishermen who traditionally worked waters surrounding the southern Kuriles, for instance, would capture considerable attention. Moscow could further capitalize on a positive Japanese reaction by "considering" additional practical or humanitarian steps, such as making it easier to visit Japanese graves on Soviet soil. These initiatives, at a minimum, would put Tokyo on the defensive. In short, we believe that a little, essentially cosmetic movement by a new Soviet leadership could give Moscow some leverage on Tokyo, which heretofore has counted on Soviet intransigence in fashioning its own approach to this longstanding problem. [REDACTED]

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A public relations gambit on the Northern Territories could be coupled with a visit to Tokyo by the Soviet Foreign Minister, which has been hung up for a decade over the territorial issue. If a visit took place, the competition between Nakasone and Abe almost certainly would focus even more sharply on their respective roles in managing Soviet policy. Given the contest for Liberal Democratic Party leadership next year--not to mention Nakasone's desire to make his own mark in Japanese-Soviet relations before he leaves office--we assume Moscow is well aware of the potential for exploiting the tensions between current and would-be Japanese leaders. A Shevardnadze visit to Tokyo, in our view, would catalyze other trips--such as travels by Abe and perhaps Nakasone to Moscow--as well as put pressure on the bureaucracy to produce "results." Whatever the significance of any accords that might be concluded--and a convincing case could be made that any new bilateral accord would principally be an exercise in atmospherics rather than substance--the Soviets would be able to claim a real improvement in relations. [REDACTED]

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Other Political Gestures: A Low Budget Approach

The Soviets' hardline policy toward Japan has largely ignored low cost moves that could bring returns for them in Japan. Most obviously, Moscow could benefit by simply abandoning its uniformly negative public portrayal of Tokyo. Even if it chooses not to play to Japan's desire to be perceived as a global power, Moscow could end its critical commentary on the ruling party and its supporters in the business community, instead emphasizing--as it did during detente--the economic ties that could grow to benefit the Japanese establishment and the Soviet Union. [redacted]

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In Japan, the Soviets could expand their program of invitation diplomacy and target Liberal Democratic politicians and interest groups not already identified as Soviet sympathizers. In practical terms, that could include more direct help to individual conservatives via gestures, such as easing harassment of Japanese fishermen, expanding the size of the Japanese catch in Soviet waters, and reducing fishing fees, for which the politicians could claim some personal credit. The results of these steps would be hard to measure, and we would not expect them to produce any basic policy shifts by the LDP or its main backers. But these moves would create a new opening for potential Soviet influence with Japanese political figures who are considerably closer to Tokyo's power centers than the ideological fringe elements Moscow has heretofore courted. In our view, this sort of effort could be more effective over the long run than the Soviet covert action programs that have channeled funds and support to their sympathizers on the left. [redacted]

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Defense and Economics: Less Room for Change

A concerted Soviet effort to play down the security threat to Japan--however unlikely--would directly challenge the official Japanese rationale for the defense buildup program and closer security ties with the United States. In our view, some steps--particularly those that involved media treatment of the security relationship--could be taken relatively easily and, from the Soviet perspective, with a reasonable hope they would have an impact on public opinion in Japan. [redacted]

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The Soviets would appear less bellicose to the man-in-the-street if they changed their tune on popularly supported aspects of Japanese foreign policy. For example, they could take the line that, just as Moscow's intentions in improving relations with Beijing are good, Japan's efforts to strengthen relations with China and cooperate in its modernization are a legitimate effort to enhance stability in the region. The message would be no less well received in Japan if Moscow continued to warn Tokyo against involvement in China's military modernization. Attenuated Soviet propaganda against Japan's rearmament and

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economic penetration in Asia would also be seen as a "sign" of a new Soviet perspective, especially in the Japanese media. [ ]

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Moscow could introduce some new variations in its position on regional security. Gorbachev's recent revival of Soviet interest in an Asia-wide collective security conference--if pursued with more imagination than Moscow applied to its earlier, largely ignored proposal on the same subject--could at a minimum prompt the Japanese media to question whether the Soviets were moving in a "new" direction in Asia. Such a proposal could be coupled with a strong Soviet pitch that supported Japan's antinuclear movement, perhaps implying that broader changes in Tokyo's approach to its US alliance relationship--much as New Zealand has taken--could pave the way for real tension reduction in Northeast Asia. One of the most appealing possibilities to Japanese officials as well as the press would be a Soviet suggestion that bilateral discussions of regional security include the subject of Soviet garrisons and air force elements in the Kuriles and Sakhalin. We do not believe there is much chance that the Soviets would make such an offer. But if they did, and said--as we expect they would--that Tokyo should come to the table ready to discuss the status of similar assets in Hokkaido, it could provoke both popular interest and, in our view, political pressure on the government in Japan. [ ]

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Other tension-reducing steps, such as the adoption of agreed procedures for handling military incidents at sea and in the air, less aggressive air and sea patrolling around Japan, or the installation of a Tokyo-Moscow hotline, would generate a positive, popular Japanese response. Recent visits by Japanese defense officials to China would make it difficult for Tokyo to avoid considering a Soviet offer to send observers to each other's military maneuvers. Such initiatives would not affect the foundation of Japanese security policy or, necessarily, even current defense plans. But if they surfaced when contentious or politically symbolic subjects, such as the 1-percent cap on defense spending or Japanese participation in SDI, were under active public debate, they could complicate the government's effort to firm up a popular consensus behind new departures in defense policy. [ ]

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Although there is more possibility of movement on the economic side, Moscow would find it difficult to alter Japanese skepticism about the commercial opportunities available, under current market conditions, from larger trade and credit commitments to the Soviet Union. But if the Soviets chose to complement an effort to create a better political climate with steps to show more promise as an economic partner, the Japanese private sector would have to reevaluate its expectations. [ ]

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We would not expect the Japanese Government and business community to abandon the case-by-case approach used to assess whatever the Soviets have to offer. And, for Moscow, some of the actions that would appear most appealing to the Japanese would

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also cost the Soviets--in effect, by robbing Peter to pay Paul-- in their relations with Western Europe or elsewhere. But the possible changes in Soviet economic behavior cover a broad front, and we would expect the Japanese to look for such things as:

- Greater flexibility on price and credit terms for Japanese exports.
- Permission for the Japanese to capture some of the contracts traditionally granted to the West Europeans.
- Price concessions designed to expand the Soviet market share for Japanese timber, energy, and raw material imports--particularly liquified natural gas.
- Allocation to Japanese firms of most capital equipment purchases for the Sakhalin oil and gas project. [redacted]

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#### The Potential Is There

Japan's history of cooperating closely with the United States vis-a-vis the Soviet Union, Prime Minister Nakasone's strong backing for this aspect of US-Japanese relations, the deepseated Japanese antipathy toward the Soviet Union, and the growing popular concern with Soviet military strength all enhance prospects for continued US-Japanese cooperation in dealings with the Soviet Union. [redacted]

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Nonetheless, the simple fact that Soviet policy toward Japan has been so counterproductive for so long gives Moscow an array of low-cost choices for new departures that, for the Soviets, could prove to have a positive impact on Japan. Admittedly, the returns to the Soviets from most of these measures would be low as well. In a period when international attention, including that of the Japanese, is focused on the new leadership in Moscow, even limited innovations in Soviet policy nonetheless could make the job of managing the relationship considerably more difficult for political leaders as well as foreign policy professionals in Tokyo. We do not believe the consequences would necessarily produce changes in the US-Japanese security relationship, but they could complicate the task of obtaining Japanese support for any new US measures aimed at the Soviets. [redacted]

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